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## Turkey

### Agricultural Situation

### Annual Report

**2008**

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**Report Highlights:**

Apple production was affected by bad weather conditions in spring of 2008. Therefore, production is predicted to drop about 40 percent in MY 2008.

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Includes PSD Changes: No  
Includes Trade Matrix: No  
Annual Report  
Ankara [TU1]  
[TU]

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## Executive Summary

Turkey is among the top deciduous fruit producing countries in the world due to favorable weather and geographic conditions. Among deciduous fruits, apples are the most economically significant crop followed by table grapes and pears. Even though most deciduous fruits are grown throughout the country the major commercial production areas are the Central Anatolian, Mediterranean, Aegean and Marmara regions.

Production of apples and pears increased in MY 2007 and the production of table grapes decreased slightly in MY 2007 compared to the previous year. Weather conditions were disastrous for apples in MY 2008. The center of apple production, Karaman Province, was hit with especially bad weather conditions in the spring. Apple production dropped about 50 percent in MY 2008.

Apple exports increased significantly in MY 2007. Even though weather conditions were unfavorable for apples, the major export varieties were not as badly affected and therefore apple exports are predicted to increase slightly in MY 2008. Table grape exports also increased in MY 2007 and are predicted to increase in MY 2008 as well.

In MY 2006, Iraq, Saudi Arabia, Romania and Germany continued to be the major export destinations for Turkish deciduous fruit exports. Northern Cyprus was among the top importing countries both in MY 2006 and MY 2007.

## Production

Turkey's diverse geographic regions produce many fruit varieties, including many varieties of deciduous fruit. Among all of the deciduous fruits, apples are the most economically significant crop followed by table grapes and pears.

## Apples

In MY 2007, Turkish apple production bounced back to MY 2005 levels, reaching 2,500,000 MT. This represents a 25 percent increase from MY 2006 levels. MY 2008, however, was a devastating year for apple producers. Due to unfavorable weather conditions in major apple growing regions, production decreased by about 50 percent. This was mainly due to harsh spring weather conditions in 2008. Industry contacts predicted that apple production will go down to 1,300,000 MT in MY 2008.

According to FAO data, Turkey is among the top ten apple producers in the world. Apples are grown in many regions in Turkey but approximately 50 percent of all commercial apple production comes from three provinces; Isparta, Karaman and Nigde. These provinces are located in the southern part of Central Anatolia and the Northern Mediterranean Regions. In addition to them, commercial apples are also grown in Antalya, Eregli, Denizli, Yalova and Amasya.

**Table- 1: Production, Supply and Demand of Fresh Apples**

Fresh Apples										
	2006	Revised		2007	Estimate		2008	Forecast		UOM
	Annual Data Displayed		New Post Data	Annual Data Displayed		New Post Data	Annual Data Displayed		Jan Data	
Market Year Begin		07/2006	07/2006		07/2007	07/2007		07/2008	07/2008	MM/YYYY
Area Planted	162665	162665	162665	164000	164000	164000	0	0	165000	(HA)
Area Harvested	162665	162665	162665	164000	164000	164000	0	0	165000	(HA)
Bearing Trees	36443	36443	36443	36500	36500	36500	0	0	36500	(1000 TREES)
Non-Bearing Trees	7803	7803	7803	7000	7000	7000	0	0	7000	(1000 TREES)
Total Trees	44246	44246	44246	43500	43500	43500	0	0	43500	(1000 TREES)
Commercial Production	2002033	2002033	2002033	2449820	2449820	2458000	0	0	1300000	(MT)
Non-Comm. Production	0	0	0	0	0	0	0	0	0	(MT)
Production	2002033	2002033	2002033	2449820	2449820	2458000	0	0	1300000	(MT)
Imports	5537	5537	5500	3000	3000	3000	0	0	6000	(MT)
Total Supply	2007570	2007570	2007533	2452820	2452820	2461000	0	0	1306000	(MT)
Fresh Dom. Consumption	1898542	1898542	1898407	2322820	2322820	2345331	0	0	1190000	(MT)
Exports, Fresh	9028	9028	9126	30000	30000	15669	0	0	16000	(MT)
For Processing	100000	100000	100000	100000	100000	100000	0	0	100000	(MT)
Withdrawal From Market	0	0	0	0	0	0	0	0	0	(MT)
Total Distribution	2007570	2007570	2007533	2452820	2452820	2461000	0	0	1306000	(MT)

About half of the apples grown in Turkey are Red Delicious (Starking) and about a third are Golden Delicious. Amasya is the most popular native variety that is grown, which constitutes about ten percent of total production. The Granny Smith, Fuji, Gala, Jonagold, and Braeburn varieties are also becoming more popular.

Deciduous fruit producers usually run small operations, however a few large commercial orchards were established in recent years, which use better quality seedlings and newer technology.

In addition to better weather conditions, better production techniques are also expected to improve yields and quality. In some major apple growing provinces, producers have installed drip irrigation systems.

## Table Grapes

Turkey has grown grapes for thousands of years. Grapes are grown in many regions throughout Turkey and they are a significant commercial crop.

The drought in 2007 adversely affected table grape production, causing a slight decrease in production to 1,913,000 MT. Table grape production in My2008 is estimated to increase about 2 percent to 1,945,000 MT.

Many different varieties of grapes are grown in Turkey. Seedless grapes are mainly grown in the Aegean Region. The Marmara Region produces grapes for wine production and for fresh consumption. The earliest varieties come from the Mediterranean Region. There are no official statistics about the breakdown of grape utilization; industry contacts claim that 40 percent of total production is used for fresh consumption. The rest are dried, utilized in pectin and its derivatives sector or used in the wine and spirits industry.

**Table- 2: Production, Supply and Demand of Fresh Table Grapes**

Fresh Table Grapes										
	2006	Revised		2007	Estimate		2008	Forecast		UOM
	Annual Data Displayed		New Post Data	Annual Data Displayed		New Post Data	Jan Data		Post Estimate New	
Market Year Begin		06/2006	06/2006		06/2007	06/2007		06/2008	06/2008	MM/YYYY
Area Planted	303816	303816	303816	305000	305000	305000	0	0	305000	(HA)
Area Harvested	303816	303816	303816	305000	305000	305000	0	0	305000	(HA)
Commercial Production	2060167	2060167	2060167	2100000	2100000	1912539	0	0	2000000	(MT)
Non-Comm. Production	0	0	0	0	0	0	0	0	0	(MT)
Production	2060167	2060167	2060167	2100000	2100000	1912539	0	0	1945000	(MT)
Imports	206	206	200	300	300	300	0	0	300	(MT)
Total Supply	2060373	2060373	2060367	2100300	2100300	1912839	0	0	1945300	(MT)
Fresh Dom. Consumption	1908422	1908422	1909067	1950000	1950000	1739739	0	0	1755300	(MT)
Exports, Fresh	151951	151951	151300	150300	150300	173100	0	0	190000	(MT)
For Processing	0	0	0	0	0	0	0	0	0	(MT)
Withdrawal From Market	0	0	0	0	0	0	0	0	0	(MT)
Total Distribution	0	0	2060367	2100300	2100300	1912839	0	0	1945300	(MT)

## Pears

Many different varieties of pears are grown in Turkey and harvested throughout the year. There are both domestic and foreign varieties produced in Turkey. The major varieties are Santa Maria, Akca, Mustafabey, Cassia, Williams, Ankara and Deveci.

In MY 2007 pear production bounced back to MY 2005 levels. Production increased about 12 percent and reached 356,000 MT, mainly due to favorable weather conditions. Like table grapes, pear production is predicted to increase about 2 percent in MY 2008.

Pears are also grown throughout the country, but are concentrated in the Southern Marmara, Northern Mediterranean, and Central Anatolia Regions, including Bursa, Yalova, Antalya, Ankara, Konya, and Burdur Provinces.

Due to frost, pear production in MY 2006 fell about 12 percent. In MY 2007 pear production is forecasted to bounce back thanks to favorable weather conditions.

**Table- 3: Production, Supply and Demand of Fresh Pears**

Fresh Pears										
	2006	Revised		2007	Estimate		2008	Forecast		UOM
	Annual Data Displayed		New Post Data	Annual Data Displayed	New Post Data	Annual Data Displayed			Jan Data	
Market Year Begin		07/2006	07/2006		07/2007	07/2007		07/2008	07/2008	MM/YYYY
Area Planted	209,867	209,867	209,867	210,000	210,000	210,000			210,000	(HA)
Area Harvested	209,867	209,867	209,867	210,000	210,000	210,000			210,000	(HA)
Bearing Trees	9,955	9,955	10,400	10,000	10,000	9,955			10,000	(1000 TREES)
Non-Bearing Trees	1,704	1,704	1,740	1,700	1,700	1,704			1,700	(1000 TREES)
Total Trees	11,659	11,659	12,140	11,700	11,700	11,659			11,700	(1000 TREES)
Commercial Production	317,750	317,750	317,750	350,000	350,000	356,281			360,000	(MT)
Non-Comm. Production	0	0		0	0					(MT)
Production	317,750	317,750	317,750	350,000	350,000	356,281			360,000	(MT)
Imports	321	321	300	140	140	140			150	(MT)
Total Supply	318,071	318,071	318,050	350,140	350,140	356,421			360,150	(MT)
Fresh Dom. Consumption	302,179	302,179	302,158	330,140	330,140	341,086			344,650	(MT)
Exports, Fresh	5,892	5,892	5,892	10,000	10,000	5,335			5,500	(MT)
For Processing	10,000	10,000	10,000	10,000	10,000	10,000			10,000	(MT)
Withdrawal From Market	0	0		0	0					(MT)
Total Distribution	318,071	318,071	318,050	350,140	350,140	356,421			360,150	(MT)

## Consumption

### Apples

About 90 percent of Turkey's apple production is consumed as fresh fruit. About five percent are processed into juice, canned products, vinegar or dried products, and about one or two percent are exported. The remainder are lost, and were added into domestic consumption in the production, supply and demand table.

Turkish consumers prefer medium-sized apples weighing approximately one kilo per 6 pieces. Turkish consumers usually prefer Red Delicious at the beginning of the season, and Golden Delicious after the New Year. This is because Red Delicious apples become softer a few months after they are harvested unless they are kept in the cold storage properly. Controlled atmosphere storage facilities, however, allow apples to be marketed throughout most of the year. Amasya apples can be marketed longer than Delicious without controlled storage facilities.

The price of apples increased significantly in MY 2008 due to lack of supply and the market price reached 2,5 YTL (~\$1,6). Prices are predicted to increase in winter 2009 as well.

### Table Grapes

Industry sources estimate that about 40 percent of Turkey's grape production is consumed as fresh table grapes, about 35 percent is dried (including seedless sultana primarily for export markets), and about 15 percent is processed, primarily for wine production which has been growing rapidly in recent years (about 10 to 12 percent annually). Grapes are also processed into *raki*, a traditional distilled alcoholic drink, juice, and vinegar. Of the share marketed as fresh grapes, 85 to 90 percent are consumed domestically, 8-10 percent are exported and the remainder are not suitable for use and have been added into the domestic consumption calculations in this report.

### Pears

About 90 percent of pears are consumed fresh. Three to five percent are exported, two to three percent are canned, and the remainder are unsuitable for use.

## Trade

Even though Turkey is among the top countries producing deciduous fruits, exports are not high compared to production. The major reason for the low export volume is the lack of new varieties which have become popular in many importing countries.

MY 2007 was a very good year for Turkish apple exports. Exports increased about 70 percent compared to MY 2006 and reached 15,600 MT. Exports are predicted to be about 16,000 MT in MY 2008 even though most production was hurt by weather conditions. The exported varieties were not affected significantly by the poor weather conditions in spring of 2008.

Table grape exports also increased about 15 percent in MY 2007 compared to MY 2006. Exports were 173,000 MT in MY 2007 and are estimated to continue to increase in MY 2008 as well.

Pear exports, however, decreased slightly in MY 2007 compared to the previous year. Pear exports are predicted to increase about 3 percent in MY 2008 and reach 5,500 MT.

The Middle East and some European countries are the major importers of Turkish deciduous fruits. Iraq, Saudi Arabia and Egypt are the primary destinations for Turkish apples and



Saudi Arabia, Romania and Germany are the major markets for pears. Table grapes are mainly exported to Russia, Ukraine and Germany. In MY 2007 Northern Cyprus was also among the top export destinations for Turkish fresh deciduous fruits.

### Stocks

Apples, as well as some pears and grapes, are stored in atmosphere-controlled and climate-controlled storage facilities.

### Policy

According to Foreign Trade Undersecretariat officials, the Turkish government has provided USD 40 per MT of export subsidies annually to apple exporters. This subsidy, however, is not given in cash, but can be deducted from utility costs; such as electricity and water or can be deducted from taxes. The latest subsidy was provided between December 1, 2005 and May 31, 2006.

There are no subsidies provided to pear and grape exporters.

Duties for imports of fresh apples, pears, and table grapes have not changed since they were announced on January 1, 2004.

**Table- 1: Import Duties for Fresh Apples, Pears, and Table Grapes**

Product	Tariff Code	Duty (%)	Effective Date
Fresh Apples	0808.10	60.3	January 1, 2004
Fresh Pears	0808.20.10 & 0808.20.50	60.3	January 1, 2004
Fresh Table Grapes	0806.10	54.9	January 1, 2004

The Turkish government also provides direct income support payments of 100 YTL (~ USD 83) per hectare to all registered farmers. In addition to this, farmers who establish a fruit orchard using certified seedlings also receive support from the government. For the establishment of apple and grape orchards farmers are provided with 2500 YTL (~ USD 2,083) per hectare.

### Marketing

Fresh deciduous fruits are sold domestically or exported through private traders and specialized marketing cooperatives.

## Export Trade Matrices

Table- 1: Export Trade Matrix for Fresh Apples

Fresh Apples			
Time Period	July-June	Units:	MT
Exports for:	2006		2007
U.S.	0	U.S.	0
Others		Others	
Saudi Arabia	2331	Iraq	3486
Northern Cyprus	1783	Jordan	2755
Mersin Free Trade	1435	Russian Federation	2015
Egypt	1242	Saudi Arabia	1885
Iraq	843	Northern Cyprus	1728
Jordan	598	Egypt	1314
Romania	349	Romania	1074
Sudan	102	Mersin Free Trade Zone	308
Russian Federation	97	Bulgaria	297
United Arab Emirates	72	United Arab Emirates	291
Total for Others	8852		15153
Others not Listed	273		516
<b>Grand Total</b>	<b>9126</b>		<b>15669</b>

Table- 2: Export Trade Matrix for Fresh Table Grapes

Fresh Table Grapes			
Time Period	June-May	Units:	MT
Exports for:	2006		2007
U.S.	0	U.S.	0
Others		Others	
Russia	61179	Russia	85818
Ukraine	26489	Ukraine	27633
Germany	15785	Germany	17124
Saudi Arabia	9978	Saudi Arabia	9824
Austria	7530	Belarus	7621
Belarus	5731	Austria	5884
Netherlands	5434	Poland	4094
Romania	4654	Romania	3856
Georgia	4335	Netherlands	2121
Poland	2573	Latvia	1549
Total for Others	143688		165524
Others not Listed	7616		7580
<b>Grand Total</b>	<b>151304</b>		<b>173104</b>

Table- 3: Export Trade Matrix for Fresh Pears

Fresh Pears			
Time Period	July - May	Units:	MT
Exports for:	2006		2007
U.S.	0	U.S.	0
Others		Others	
Saudi Arabia	2608	Saudi Arabia	2110
Northern Cyprus	704	Romania	862
Germany	626	Northern Cyprus	715
Romania	401	Germany	453
Macedonia	226	Bulgaria	213
Netherlands	222	Netherlands	199
Moldavia	191	Russian Federation	173
Bulgaria	146	Greece	137
Austria	144	Austria	115
Russian Federation	83	United Arab Emirates	102
Total for Others	5351		5079
Others not Listed	541		256
<b>Grand Total</b>	<b>5892</b>		<b>5335</b>